

BUSINESS REVIEW

Fiscal Year 2022

For the period July 1, 2021 to June 30, 2022

Message from the Executive Chairman

“We are delighted to report another strong year of growth for Investcorp, as we pursue our long-term growth strategy and respond to the evolving needs of our growing and diversifying client base.

“Over the last year, we continued to diversify our business to offer a greater range of options for our clients than ever before – across both our suite of products and our global geographies. Despite rising inflation and ongoing economic headwinds, the business delivered 14% growth in AUM to a record high of US\$ 42.7 billion with a net profit attributable to the equity holders of the parent of US\$ 135 million – a reflection of the growing demand for our services across all of our business lines. At the same time, we continued to introduce product innovations such as the first dedicated global institutional blockchain fund based in the GCC, as well as further developing our ESG policies and commitments, and looking to drive value for the communities in which we invest, our employees, as well as shareholders.

“While we expect to face continued market challenges in the near term, we are making strong progress against our long-term growth strategy and driving forward with a continuing focus on delivering sustainable growth across the business.”



Mohammed Alardhi
Executive Chairman

CONTENTS

- 01** Business Highlights
- 16** Diversity, Equity and Inclusion
- 19** Discussion of Results
- 28** Assets Under Management
- 33** Portfolio Review

Figures throughout may not add up due to rounding

BUSINESS HIGHLIGHTS

Growth Initiatives (1/2)

A number of strategic initiatives have been completed in FY2022, and several are well underway, including:

Strategic Initiatives

The Firm successfully sponsored the initial public offerings (IPOs) of two special purpose acquisition companies (SPACs), one focused on European investments and one focused on Indian investments. Both SPACs are listed on NASDAQ. The gross proceeds from both offerings were in excess of \$600 million and were heavily oversubscribed. The successful IPOs reflect the confidence of market participants in Investcorp as an institutional sponsor and is a testament to Investcorp's history and track record in acquiring good businesses and helping them deliver sustainable long-term value to shareholders.

Investcorp entered into a joint venture with United Talent Agency which is focused on making growth investments at the intersection of Web 3.0 and the "creator economy".

Investcorp launched the 'Investcorp Insurance Solutions' platform, the Firm's newly-formed business line that will focus on providing investment management services to meet the unique investment needs of insurers. Following this launch, Cordillera Holdings LLP, a newly-created insurance-focused investment platform, with funding provided by Investcorp, announced the acquisition of Sunset Life Insurance Company of America (now named Ibexis Life & Annuity Insurance Company) a life insurance and annuity shell company which is licensed to operate and issue policies in 40+ states in the United States.

The 2021 Responsible Business Report was released during the Abu Dhabi Sustainability Week Summit. The report includes Investcorp's Environmental, Social, and Governance (ESG) highlights for 2021 and specific initiatives the Firm implemented to meet its goals, as well as some case studies illustrating areas where the Firm has demonstrated its commitment to responsibility as a core component of its values and culture.

Investcorp announced the growth of its footprint in the United States with the opening of its Los Angeles office. As part of the expansion, Scott Goldchain was hired as a senior relationship manager in charge of the West Coast. Scott will be responsible for growing the Firm's LP relationships in the region.

Growth Initiatives (2/2)

Investment & Fundraising Initiatives

The Firm announced the launch of eLydian Lion 1, its first dedicated institutional blockchain and Shariah-compliant fund based in the GCC with a global investment mandate. The Fund – which will be led from Investcorp's Abu Dhabi office – is expected to be deployed globally and will focus on investments in companies leading the next digital evolution driven by blockchain technology.

Investcorp launched a private infrastructure investment business in North America. The new platform will apply the Firm's global expertise and track record in real estate and private equity to make investments in critical infrastructure companies and projects across North America.

Investcorp held the final close of the Investcorp Strategic Capital Partners Fund with capital commitments of \$620 million. The fund is focused on acquiring minority equity stakes in established, mid-sized alternative asset managers, following a year of significant growth for the business.

Investcorp led a US \$55 million investment in NDR Warehousing Private Limited, one of the largest Indian warehousing platforms. This was the first India domestic fundraising by the Firm, which was anchored by BAE.

The Firm announced the formation of a new venture to acquire industrial real estate assets in the United States, in partnership with two leading sovereign wealth funds. This partnership should provide the Firm with the ability to acquire a critical mass of institutional-quality assets in premier logistics markets, in order to benefit from strong operating fundamentals and dynamics in the industrial space.

Investcorp launched a Saudi Arabian focused Pre-IPO Growth Fund, dedicated to investing in a diversified portfolio of companies at a "pre-IPO" stage of development in Saudi Arabia, providing investors with an opportunity to gain exposure to growing and market-leading businesses in Saudi Arabia. The Pre-IPO Growth Fund aims to raise \$500 million, targeting sectors such as healthcare, consumer, transport, logistics, and business services.

The Asian Infrastructure Investment Bank announced that it will anchor the Aberdeen Standard Investcorp Infrastructure Partners' (ASIIP) new regional fund by committing \$90 million to its first close. The Fund aims to invest in core social infrastructure projects in the Gulf by investing in healthcare, education, water, mobility and digital infrastructure that will benefit local communities and future generations. ASIIP had also received a capital commitment from the Public Investment Fund (PIF) for up to 20% of the Fund's total size.

Results for the year (\$m)

Net profit attributable to the equity holders of the parent of \$135 million was 9% higher compared to FY21, reflecting continued strong performance, driven by good levels of activity across the core businesses of private equity, real estate, credit management and absolute return investments

AUM fees, transaction and advisory income (\$m)

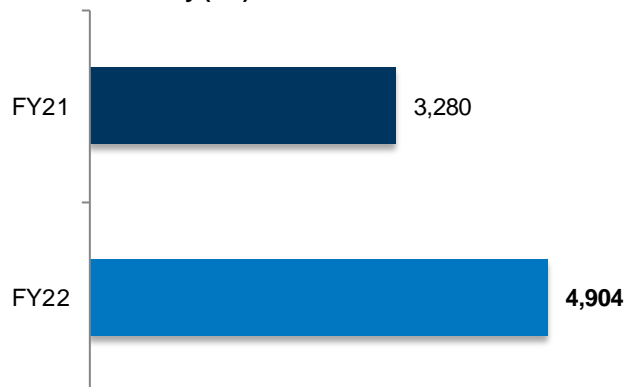
AUM fees, transaction and advisory income increased by 15% to \$411 million, with growth in both AUM fees as well as transaction and advisory fees

Asset-based income from co-investment business and others (\$m)

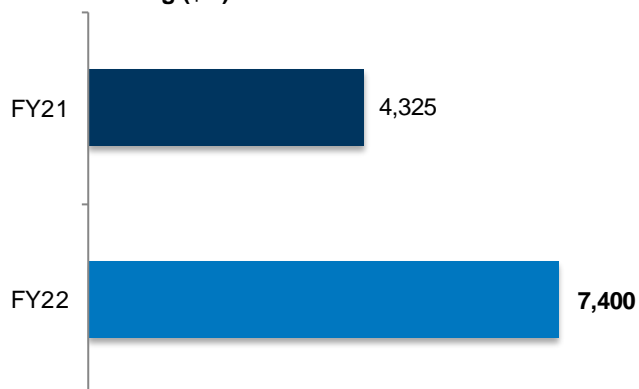
Asset-based income from co-investment business and others, increased to \$109 million reflecting strong performance across all asset classes

AUM fees, transaction and advisory income / operating expenses

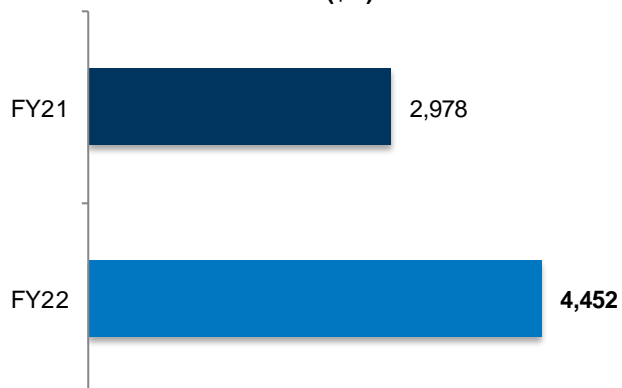
AUM fees, transaction and advisory income continues to cover operating expenses

Investment activity (\$m)

Strong levels of activity achieved with \$4.9 billion of aggregate investment across Investcorp's businesses, a 50% year-on-year increase

Total fundraising (\$m)

Total fundraising reached a record high of \$7.4 billion due to strong fundraising globally across all asset classes.

Realizations and distributions (\$m)

Distributions to Investcorp and its clients from investment realizations and other distributions increased to \$4.5 billion.

Shareholder KPIs

\$1.31

Fully diluted EPS

11%

Return on Equity

\$11.31

Book Value per share

Balance sheet KPIs

Jun-21	Jun-22	
\$2.4b	\$2.3b	Total assets decreased primarily due to the reduction in underwriting and working capital
\$1.3b	\$1.3b	Total equity remained stable
\$1.5b	\$1.3b	Accessible liquidity covers all outstanding medium-term debt
0.2x	0.2x	Net leverage remains well below 1.0x
0.4x	0.5x	Co-investments / permanent & long-term capital remains well below 1.0x

Investcorp's key performance indicators:

	FY18	FY19	FY20	FY21	FY22
AUM fees, transaction and advisory income	321	376	288	356	411
Asset-based income from co-investment business and other (\$m)	133	89	(110)	107	109
Gross operating income (\$m)	454	465	178	463	520
AUM fees, transaction and advisory income / operating expenses*	125%	140%	105%	123%	122%
Return on average assets	5%	5%	(7%)	5%	6%
Diluted earnings per share (\$)	1.30	1.47	(2.57)	1.34	1.31
Book value per share (\$)	12.13	13.26	10.07	10.81	11.31
Dividend per ordinary share (\$)	0.24	0.30	0.10	0.30	0.30

* Excluding tax

Total AUM (\$ billions)

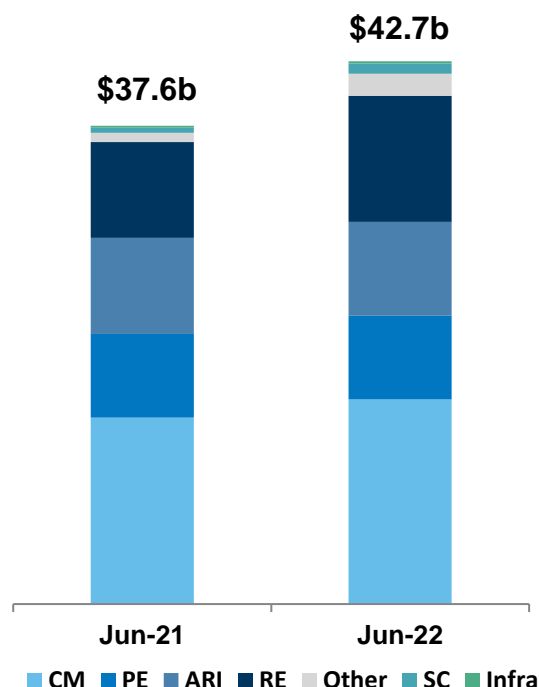
Private equity AUM remained stable at \$6.6 billion as new acquisitions and fundraising was offset by exits.

Real estate AUM increased by 31% during the year to \$9.9 billion largely due to the acquisition and placement of various new portfolios and fundraising for the new Industrial Real Estate Venture.

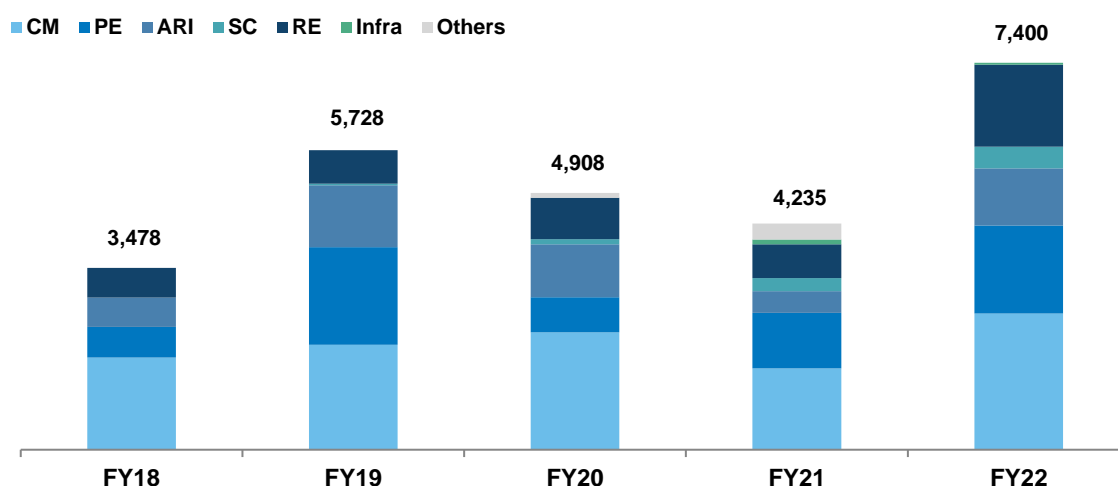
Absolute return investments AUM (managed by the Investcorp-Tages joint venture) remained stable at \$7.4 billion.

Credit management AUM increased by 10% to \$16.1 billion primarily due to the issuance/pricing of several CLOs.

Strategic capital AUM and Infrastructure AUM increased to \$1.0 billion largely due to continued fundraising for the Investcorp Strategic Capital Partners Master Fund, L.P., new commitments for the ASIIP Infrastructure Fund.



Total Fundraising – by asset class (\$ millions)



Fundraising (\$ millions)

Total fundraising was \$7.4 billion

Private equity

\$1,684 (FY21: \$1,060)

\$601 million raised from clients in private equity deal-by-deal offerings, including co-investment opportunities of \$225 million.

Private equity deal-by-deal fundraising includes the continued placement of FY21 private equity offerings, along with the placement of CloudCare, Investis Digital, RESA Power, S&S Truck Parts, the relaunch of the Fortune International offering and an offering of additional investment in Corneliani.

\$480 million was raised from clients for the continued fundraising of Investcorp North America Private Equity Fund, Investcorp Technology Partners Fund V and fundraising for the newly launched Saudi Pre-IPO Growth Fund, India Growth Equity Fund III, eLydian Lion Fund 1 and Investcorp Digital Ventures Fund.

\$604 million was raised for the Investcorp European SPAC and Indian SPAC.

Absolute return investments

\$1,091 (FY21: \$416)

\$1,091 million was raised for the Investcorp-Tages Absolute Return Investments business across multimanager solutions, hedge funds partnerships and Alternative risk premia platform.

Real estate

\$1,570 (FY21: \$651)

\$1,041 million raised from clients across various new portfolios and portfolios carried over from FY21, including co-investment opportunities of \$28 million.

\$529 million raised primarily from clients for the new Industrial Real Estate Venture and the India Education Infrastructure Portfolio.

Strategic capital

\$416 (FY21: \$247)

\$416 million of new commitments raised for the Investcorp Strategic Capital Partners Fund, including co-investment fundraising of \$91 million.

Infrastructure

\$35 (FY21: \$90)

\$35 million of new commitments raised for the Aberdeen Standard Investcorp Infrastructure Partners Fund.

Credit management

\$2,603 (FY21: \$1,558)

\$2,365 million raised from the issuance/pricing of new CLOs and reset of existing CLOs¹.

\$110 million of new subscriptions into the open-ended senior secured loan fund, ICM Global Floating Rate Income Fund.

\$129 million was raised from clients for Mount Row (Levered) II Credit Fund, European Loan Company II & Investcorp Credit Opportunity Portfolio V.

¹ Includes one CLO which was priced post the period end (in July 2022)

Investment Activity

Private Equity

\$0.8 billion...

... the aggregate capital deployed in **nine new private equity investments, the Investcorp European SPAC, Investcorp's India SPAC** and existing portfolio investments



CrossCountry Consulting

Business services – Knowledge & professional services
Virginia, US



S&S Truck Parts

Distribution – Supply chain services
Illinois, US



HWG

Technology – Security
Verona, Italy



V-Ensure

Healthcare
Mumbai, India



RESA Power

Industrial services – Infrastructure services
Texas, US



Wingreens Farms

Consumer food & agriculture
Gurugram, India



Mo Xiaoxian

Consumer
Shanghai, China



Rtekk (formerly MIR Limited)

Technology – FinTech
Douglas, Isle of Man



HaoYue China Healthcare Co-Investment Partnership

Healthcare
Shanghai, China

Real Estate (1/2)

\$1.2 billion... the aggregate capital deployed in **twelve new real estate portfolios**, and **warehoused three additional properties** which will be part of future portfolios

UK Industrial & Office Portfolio

Type: Industrial & office properties

Locations: Manchester, England and Scotland

No. of properties: 11

Western US Industrial Portfolio

Type: Industrial properties

Locations: Seattle, Washington; Phoenix, Arizona; Thousand Oaks, California; and Dallas-Fort Worth, Texas

No. of properties: 89

2021 Multifamily II Portfolio

Type: Multifamily properties

Locations: Atlanta, Georgia; Denver, Colorado; Dallas, Texas; Phoenix, Arizona

No. of properties: 6

Sunbelt Multifamily Add-On

Type: Multifamily properties

Locations: Dallas, Texas; Orlando, Florida

No. of properties: 2

GKI Industrial Portfolio²

Type: Industrial properties

Locations: Austin, Texas; Chicago, Illinois; Dallas, Texas; Houston, Texas; Minneapolis, Minnesota; Philadelphia, Pennsylvania; Phoenix, Arizona; San Antonio, Texas

No. of properties: 67

US National Industrial II Portfolio

Type: Industrial properties

Locations: Atlanta, Georgia; Chicago, Illinois; Dallas, Texas; Houston, Texas; Philadelphia, Pennsylvania; St. Louis, Missouri; West Nyack, New York

No. of properties: 64

Rosemont Berkeley Lake³

Type: Multifamily property

Location: Atlanta, GA

No. of properties: 1

Florida Residential Portfolio

Type: Multifamily & Student Housing properties

Location: Orlando, Florida; Tallahassee, Florida; Tampa, Florida

No. of properties: 3

Pecos Commerce Center⁴

Type: Industrial property

Location: Phoenix, Arizona

No. of properties: 6

² Recapitalization of 2018 Warehouse and US Industrial & Logistics Portfolios

³ Recapitalization with KKR

⁴ Part of GKI go-forward portfolio

Real Estate (2/2)

Italian Office Portfolio**Type:** Office properties**Location:** Milan and Rome, Italy**No. of properties:** 2**GKI Infill Portfolio⁴****Type:** Industrial properties**Location:** Atlanta, Georgia; Memphis, Tennessee; Philadelphia, Pennsylvania; Dallas, Texas; Houston, Texas & Cincinnati, Ohio**No. of properties:** 110**Belga****Type:** Office properties**Location:** Brussels, Belgium**No. of properties:** 2**Student HMO, Project Rose****Type:** Student accommodation properties**Location:** Exeter, England**No. of properties:** 1**India Education Infrastructure Portfolio****Type:** K-12 school properties**Location:** Maharashtra and Tamil Nadu**No of properties:** 4**India Industrial Portfolio****Type:** Warehouse properties**Location:** Pan-India (Chennai, Bangalore, Coimbatore, Mumbai, Pune, NCR-Delhi, Kolkata, Pondicherry, Aurangabad)**No of properties:** 35

Credit Management

\$2.4 billion...

... the aggregate investment in **five new CLOs issued/priced, four resets** and the **Investcorp US Institutional Private Credit Fund** for the **credit management business**

Strategic Capital

\$0.4 billion...

... the aggregate capital deployed in **seven new strategic capital investments** and one existing investment

<div>Project RI</div> <div>European Special Situations London, UK</div>	<div>Project Propel</div> <div>Buyout New York, NY</div>	<div>Project Apollo</div> <div>Real Estate Washington, DC</div>	
<div>Project Elm</div> <div>Buyout New York, NY</div>	<div>Project Mountain</div> <div>Private Credit and Special Situations New York, NY</div>	<div>Project Arch</div> <div>Distressed and Special Situations Greenwich, CT</div>	<div>Project Carrier</div> <div>Buyout and Infrastructure New York, NY</div>

Insurance

\$0.1 billion...

... the aggregate capital deployed for the **Investcorp Insurance Solutions platform**

Exits & Distributions

Private Equity

\$1.8 billion...

*... total **private equity realization** proceeds and other distributions to Investcorp and its clients*



softgarden

Technology – Big data
Berlin, Germany



Arvento Mobile Systems

Business services – Technology
enabled services
Ankara, Turkey



Agromillora

Industrial services
Barcelona, Spain



Dainese

Consumer products
Vicenza, Italy



Theeb Rent a Car Co.

Consumer services
Riyadh, Saudi Arabia



ICR⁵

Business services – Knowledge &
professional services
Connecticut, US



PRO Unlimited

Business Services – Technology
enabled services
California, US



Arrowhead Engineered Products

Consumer products – Supply
chain services
Minnesota, US



Hydrasun Group Holdings Ltd

Industrial services
Aberdeen, Scotland

⁵ ICR was partially exited

Real Estate



















\$1.0 billion...










... *total real estate realization proceeds and other distributions to Investcorp and its clients*

Significant real estate exits included the realizations of five portfolios: **2018 Residential** (with the realization of Brook Hill and Berkeley Lake), **Canal Center / 2014 Office & Industrial Properties Portfolio Expanded** (with the realization of Canal Center Plaza), **2018 Warehouse Portfolio**, **US Industrial & Logistics Portfolio** and **535-545 Boylston Street**.

In Europe, **UK Industrial and Logistics Portfolio** was realized through the sale of Sutton Field and Clay Lane West. **UK Industrial and Logistics II Portfolio** was also realized through two sales (Tamworth and the remainder of the portfolio). In Germany, the sale of BüroCampus was completed, the first asset to be sold in **German Office Portfolio**.

The following sets out a complete list of real estate properties realized in FY22:

	1500 Higgins Regent, Illinois		10 Chandler Industrial Portfolio Phoenix, Arizona
	Overlook Berkeley Lake Atlanta, Georgia		Minneapolis Logistics Portfolio Minneapolis, Minnesota
	Canal Center Alexandria, Virginia		Austin Industrial Portfolio Austin, Texas
	Brook Hill Chicago, Illinois		Chicago Industrial Portfolio Chicago, Illinois
	Lodge on El Dorado Houston, Texas		Texas Portfolio Dallas, San Antonio and Houston, Texas
	370 Randy Carol Stream, Illinois		Chicago Portfolio Chicago, Illinois
	Minneapolis Portfolio Minneapolis, Minnesota		Philadelphia/Delaware Portfolio New Castle and Newark, Delaware
	Phoenix Portfolio Phoenix, Arizona		Sutton Fields Hull, England
	Clay Lane West Doncaster, England		UKIL II Portfolio Scotland and England

	BüroCampus Stuttgart, Germany		Pioneer House & Alpha 2 Tamworth, England
	Richmond Chase Houston, Texas		535-545 Boylston Street Boston, Massachusetts
	Highland Park Phoenix, Arizona		Park View Phoenix, Arizona
	University Estates Austin, Texas		University Villages Austin, Texas
	Bel Air Park Dallas, Texas		

Other Realizations and Distributions

A total of **\$6.6 million** of distributions to Investcorp and its clients was made from the **Special Opportunities Portfolios**.

Total **strategic capital** realization proceeds and other distributions to Investcorp and its clients amounted to **\$7.5 million**.

Total **credit management** realization proceeds and other distributions to Investcorp and its clients amounted to **\$1.6 billion** over the period.

DIVERSITY, EQUITY AND INCLUSION

Commitment to Fostering a Diverse & Inclusive Workplace

Global Gender



Diverse Global Representation

~486

Employees

50

Nationalities



91%

of new employees have completed a DEI training/workshop



Increase of

4%

in female leadership roles



Increase of

10%

of female population in FY22

DEI Pillars



People

We are focused on attracting and retaining a values-grounded and diverse set of talent, helping us become better leaders for tomorrow. Through an open, inclusive, and diverse culture, we are able to bridge gaps through mutual understanding, transparency, and dialogue.



Policy

We are creating and evolving industry-competitive policies that support our employees' well-being with healthcare, wellness, and flexibility. More competitive and clearer policies make us more accountable to our goals over the long-term and creates a healthier culture.



Practice

Employees undergo all types of training – teamwork, leadership, communication, networking, and DEI inclusion - on an annual basis. Workshops are held internally to strengthen awareness and inform better DEI tactics. Expanding an employee's skillsets will aid their career growth and retain our best talent.

Memberships and Affiliations



At Investcorp, the aim of DEI is to foster and nurture a learning and working environment in a world of constant change. The DEI journey is supported at the highest level of leadership and in turn cascades throughout the Firm. The DEI pillars internally promote a sense of inclusivity and enhance DEI competencies. Our DEI committee covers all geographies and enhances our localized DEI actions.

Investcorp has focused on embedding our pillars with every step taken – from transparent communication to accountability. We support advancing employees of all genders, race, color, nationality, age, religion or sexual orientation within their career progression.

Continuous learning is a critical factor for career growth and development and a key tenet of our culture. We use the 70/20/10 model where 70% of the learning comes from experience and facing challenging tasks during the “day to day” job, 20% through interaction with employees in different areas of the business and 10% through coursework and training.

Finally, we have increased our memberships and affiliations to include organizations that support and enhance our own DEI Journey.

Defining DEI on IVC terms



Diversity

A vast representation of different backgrounds, experiences and opinions that come together to build a cross-border community.



Equity

Promoting equitable opportunities for everyone based on merit to aid in their growth and success wherever they are.



Inclusion

Creating a space where everyone is heard and respected and can bring their whole selves to work. To foster belongingness within our organization.

Nemir Kirdar Internship Program

Investcorp believes that as part of DEI, it's important to look at programs that provide a myriad of learning opportunities to a wide range of talent across diverse backgrounds. The Firm recently hosted its second annual global Nemir Kirdar internship program with the participants working in a number of the Firm's offices around the world. This allowed 24 bright individuals to gain valuable insight and experiences to the financial sector to then better help them to shape their future careers.

The program highlights many strategic and tactical key skills such as: enhancing communication, elevating presentation skills, basic financial modeling and critical thinking and problem solving. Through internal training and external coaching, the program emphasizes the importance of being well-rounded and always homing in on new skills.

DEI Erudition

The DEI team launched a dedicated page on the Firm's intranet focusing on 'DEI Erudition'. DEI Erudition tackles and raises awareness of different DEI initiatives with a monthly focus theme to communicate with and educate employees on relevant topics. Topics have included mental health awareness, Juneteenth and equity vs equality. The goal is to enhance employee awareness on different topics and promote DEI thinking across the Firm.

DISCUSSION OF RESULTS

Results for the Year

Results for the year include AUM fees, transaction and advisory income from client-centric activities and asset-based income from returns generated on balance sheet assets, including unrealized changes in fair value of co-investments in Investcorp's private equity ('PE'), real estate ('RE'), absolute return investments ('ARI'), strategic capital ('SC') products, strategic investments and investments in joint ventures and associates, rental yields on RE co-investments and accrued returns and impairment losses/reversals on credit management ('CM') exposures.

Investcorp continued to build momentum shown in the previous fiscal year with the delivery of strong results in a challenging market. Profit for the year attributable to equity holders of the parent of \$135 million was 9% higher than the prior fiscal year (FY21). Investcorp's FY22 results were driven by a solid performance across all business lines and revenue sources resulting in an annualized return on equity ('ROE') of 11% and fully diluted earnings per share ('EPS') of \$1.31 per ordinary share.

Income (\$ millions)	FY22	FY21	% Change H/(L)
AUM fees, transaction and advisory income	411	356	15%
Asset-based income from co-investment business and others	109	107	2%
Gross operating income	520	463	12%
Provisions	-	(4)	-
Interest expense	(31)	(31)	-
Operating expenses	(338)	(290)	17%
Profit before tax	151	138	9%
Income tax expense	(15)	(13)	15%
Profit for the year	136	125	9%
Non-controlling interest (NCI)	(1)	(1)	-
Profit for the year attributable to equity holders of the parent	135	124	9%
Fully diluted earnings per ordinary share (\$)	1.31	1.34	(2%)

AUM fees, transaction and advisory income increased to \$411 million (FY21: \$356 million) driven by an increase in both AUM fees as well as in transaction and advisory income. Asset-based income from co-investment business and others was \$109 million (FY21: \$107 million) reflecting continued strong performance across all asset classes.

Interest expense remained stable at \$31 million. Operating expenses increased by 17% to \$338 million (FY21: \$290 million) in line with the growth in gross operating income.

AUM fees, transaction and advisory income

AUM fees, transaction and advisory income has two components: (i) AUM fees which include management and administrative fees on aggregate client investments under management in PE, RE and SC deals, all fees from client investments in ARI and CM as well as placement fees earned on PE and RE investments from program clients; and (ii) Transaction and advisory income which are generated and earned from transactional activities in connection with PE or RE acquisitions. Activity fees also includes part of the placement fees earned by the Group from clients (excluding placements with program clients) and eventual exit fees, plus performance fees on PE, RE and SC assets under management (AUM) for value added during the ownership period, and income from SPACs.

Summary of fees (\$ millions)	FY22	FY21	% Change H/(L)
PE fees	91	91	-
CM fees	65	59	10%
RE fees	49	35	40%
SC fees	13	7	86%
Other management fees	22	25	(12%)
AUM Fees	240	217	11%
PE investment	84	77	9%
RE investment	64	61	5%
SPAC income	22	-	n.m.
CM investment	1	1	-
Transaction and advisory income	171	139	23%
AUM fees, transaction and advisory income	411	356	15%

Total AUM fees, transaction and advisory income in FY22 increased to \$411 million (FY21: \$356 million).

AUM fees were \$240 million in FY22, 11% higher than FY21. The increase reflects a higher level of client assets under management driven by strong fundraising during the year. Recurring AUM fees continue to be sufficient to cover fixed operating expenses.

Transaction and advisory income also increased in FY22 to \$171 million (FY21: \$139 million), driven primarily by good levels of transactional and fundraising activity and performance of the underlying assets under management.

Asset-based Income

Asset-based income is earned on Investcorp's PE, RE, CM, ARI and SC co-investments held on the balance sheet, including invested liquidity and strategic investments. Asset-based income includes unrealized changes in fair value of co-investments in Investcorp's PE, RE, ARI, SC products and strategic investments, rental yields on RE co-investments and accrued returns and impairment losses on CM exposures.

Gross asset-based income increased by 2% to \$109 million reflecting strong performance across all asset classes.

Asset-based income (\$ millions)	FY22	FY21	% Change H/(L)
Private equity investment	36	42	(14%)
Credit management investment	19	49	(61%)
Real estate investment	17	16	6%
Strategic capital investment	3	-	n.m.
Absolute return investments	1	1	-
Investment in joint ventures	4	4	-
Treasury and other asset-based income (loss)	29	(5)	>100%
Gross asset-based income	109	107	2%

The tables below summarize the primary drivers of asset-based income for PE, CM, RE, SC and ARI.

PE asset-based income KPIs (\$ millions)	FY22	FY21	% Change H/(L)
Asset-based income	36	42	(14%)
Average co-investments	279	309	(10%)
Absolute yield	13.1%	13.6%	(0.5%)

CM asset-based income KPIs (\$ millions)	FY22	FY21	% Change H/(L)
Asset-based income	19	49	(61%)
Average co-investments	243	335	(28%)
Absolute yield ¹	7.9%	14.5%	(6.6%)

RE asset-based income KPIs (\$ millions)	FY22	FY21	% Change H/(L)
Asset-based income	17	16	6%
Average co-investments	257	193	34%
Absolute yield	6.8%	8.3%	(1.5%)

SC asset-based income KPIs (\$ millions)	FY22	FY21	% Change H/(L)
Asset-based income	3	-	n.m.
Average co-investments	20	-	n.m.
Absolute yield	13.9%	-	13.9%

ARI asset-based income KPIs (\$ millions)	FY22	FY21	% Change H/(L)
Asset-based income	1	1	-
Average co-investments	25	58	(56%)
Absolute yield	2.5%	1.7%	0.8%

Returns across all asset classes have been positive. The positive asset-based income of \$109 million reflects the strong economic rebound following the reopening of the economies post the COVID-19 pandemic, however offset by the deterioration of the macro-economic conditions observed during calendar year 2022.

The income of \$29 million for treasury and other asset-based income includes the return on a structured portfolio of PE, RE and CM investments established in May 2021.

¹ The higher return in FY21 was primarily driven by reversal of impairment losses during the year

Interest Expense

Total interest expense, including commitment fees on undrawn revolving credit facilities, remained stable at \$31 million in FY22.

Interest expense (\$ millions)	FY22	FY21	Change H/(L)
Total interest expense	31	31	-
Average short-term interest-bearing liabilities	236	532	(296)
Average medium- and long-term interest-bearing liabilities	513	508	5
Average interest-bearing liabilities	749	1,040	(291)
Interest expense on funded liabilities ^(a)	16	24	(8)
Average cost of funding on funded liabilities	2.1%	2.3%	(0.2%)

(a) Does not include commitment fee cost on undrawn revolvers.

Operating Expenses

In line with the increase in gross revenues, operating expenses also increased by 17% to \$338 million in FY22 from \$290 million in FY21. The increase in operating expenses was driven mainly by an increase in staff compensation, which includes fixed and variable components, to \$225 million (FY21: \$199 million) due to the 14% increase in global headcount across all locations. Other expenses, comprising professional fees, travel and business development, administration and infrastructure costs and non-compensation personnel costs such as training and recruitment increased by 18% to \$91 million as compared to \$77 million for the same period last year. This is primarily due to an increase in travel and other discretionary expenses as travel restrictions imposed due to the COVID-19 pandemic started to ease as well as the generally increasing costs as markets have re-opened around the world and inflationary pressures are rising globally.

Operating expenses (\$ millions)	FY22	FY21	Change H/(L)
Staff compensation	225	199	26
Other personnel costs and charges	22	14	8
Other operating expenses	91	77	14
Total operating expenses	338	290	48
Full time employees ('FTE') at end of period	486	427	59
Staff compensation per FTE ('000)	463	466	(1%)
Total staff compensation / total operating expenses	67%	69%	(2%)
Cost-to-income ^(a)	69%	68%	1%

(a) Operating expenses / Net revenue. Net revenues represents gross operating income less provisions for impairment and interest expense

Balance Sheet

Key balance sheet metrics are shown in the table below.

Balance sheet metrics	Jun-22	Jun-21
Total assets	\$2.3 billion	\$2.4 billion
Leverage ^(a)	0.5x	0.7x
Net leverage ratio ^(b)	0.2x	0.2x
Shareholders' equity	\$1.3 billion	\$1.3 billion
Co-investments ^(c) / long-term capital ^(d)	0.5x	0.4x
Residual maturity – medium- and long-term facilities	52 months	63 months

(a) Calculated in accordance with bond covenants

(b) Calculated in accordance with bank loan covenants and is net of liquidity, underwriting and deferred fees

(c) Excludes underwriting and is net of facilities secured against ARI and CM co-investments

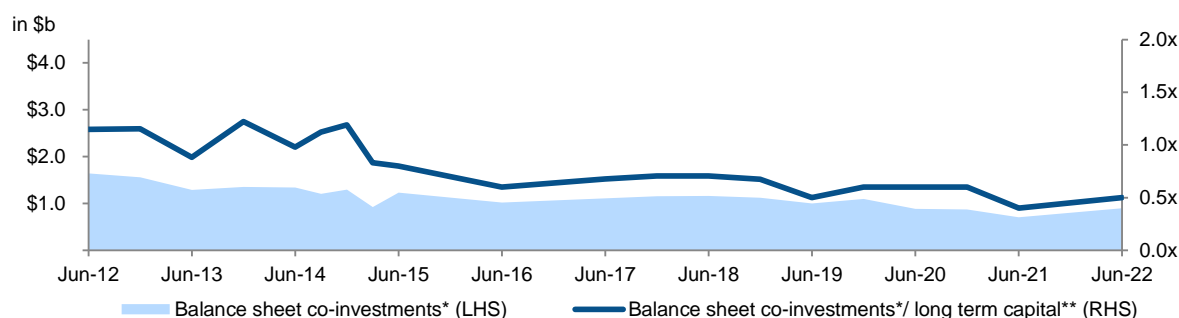
(d) Long term capital consists of JPY37 billion debt maturing in FY30, €36 million secured financings maturing in FY31, €3 million debt maturing in FY32, \$50m debt maturing in FY33, deferred fees and total equity

Assets

Assets (\$ millions)	Jun-22	Jun-21	Change H/(L)
Cash and other liquid assets	249	289	(40)
Underwriting & warehousing	370	445	(75)
Co-investments	899	705	194
Investments in joint ventures and intangible assets	79	76	3
Other (working capital and fixed assets)	698	876	(178)
Total assets	2,295	2,391	(96)

As of June 30, 2022, total assets decreased by 4% from \$2.4 billion to \$2.3 billion as a result of strong business and fundraising activities which translated into lower underwriting and lower working capital, this was partially offset by fair value gains and higher co-investment balances in line with the AUM growth as new products and offerings are launched.

Co-investments are funded entirely by a combination of long-term and permanent sources of capital



* Excludes underwriting and is net of the amount of a secured facilities (which are secured against CM co-investments)

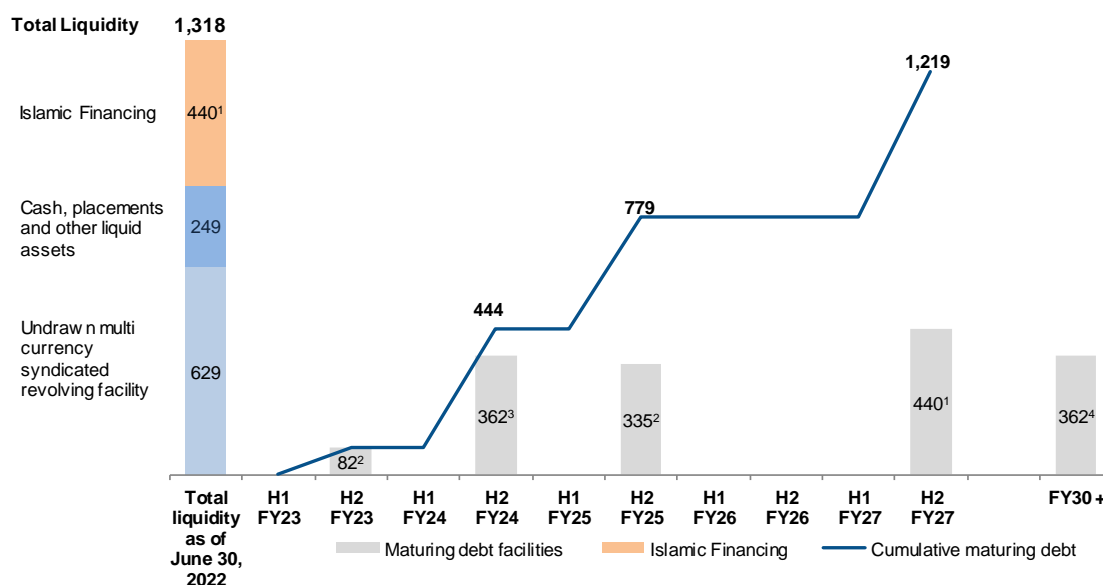
** JPY 37 billion (\$272 million as at June 30, 2022 exchange rates) debt maturing in FY30, €36 million (\$37 million as at June 30, 2022 exchange rates) debt maturing in FY31, €3 million (\$4 million as at June 30, 2022 exchange rates) debt maturing in FY32, & \$50 million maturing in FY33

Investcorp focuses on maintaining a co-investment to long-term capital ratio of 1.0x or lower, such that the entire balance sheet co-investment portfolio is fully funded through permanent or quasi-permanent capital and does not rely on short and medium-term debt financing. As at June 30, 2022 the aggregate level of co-investments remained fully covered by permanent and long-term sources of capital.

Liquidity

Investcorp's prudent liquidity management policy ensured that accessible liquidity, comprising undrawn committed revolving facilities plus balance sheet cash and other liquid assets was \$1.3 billion at the end of FY22 and covers all outstanding debt maturing over the next five years.

Liquidity cover (\$ millions)



¹ Murabaha agreement with a facility size of \$440 million. Post FY22, the Firm has drawn down \$350 million from this facility

² Syndicated revolving facilities

³ Syndicated revolving facilities - includes €76 million (\$79 million as at June 30, 2022 exchange rates)

⁴ JPY 37 billion (\$272 million as at June 30, 2022 exchange rates) debt maturing in FY30, €36 million (\$37 million as at June 30, 2022 exchange rates) debt maturing in FY31, €3 million (\$4 million as at June 30, 2022 exchange rates) debt maturing in FY32, & \$50 million maturing in FY33

Liabilities

Total liabilities decreased by \$139 million to \$980 million at June 30, 2022.

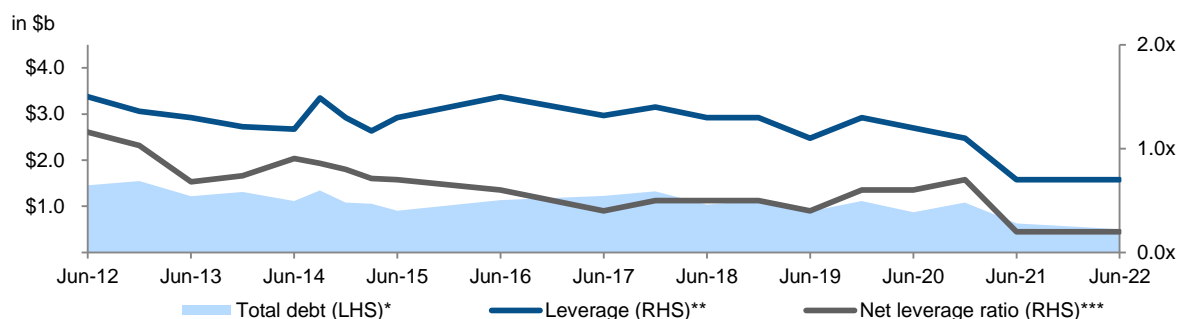
Liabilities (\$ millions)	Jun-22	Jun-21	Change H/(L)
Short-term financing	-	174	(174)
Medium and long-term debt	506	456	50
Total debt	506	630	(124)
Lease liability	96	102	(6)
Deferred fees	47	52	(5)
Other liabilities ^(a)	331	335	(4)
Total liabilities	980	1,119	(139)

(a) Payables and accrued expenses, negative fair value of derivatives

The decrease in total liabilities was mainly driven by the repayment of short-term financing. This was partially offset by an increase in medium and long-term debt due to the drawdown of \$150 million from the medium-term revolvers at the end of FY22.

During the year, the Firm entered into a Murabaha agreement with a facility size of \$440 million, resulting in a steady level of financing. The improved net debt position together with a high level of equity and liquidity puts the balance sheet in a strong position heading into the next fiscal year.

Financial leverage



* Total debt is defined as short-term financing and medium and long-term debt

** Calculated in accordance with bond covenants. Liabilities are net of transitory balances

*** Calculated in accordance with bank loan covenants, net of liquidity, underwriting and deferred fees

Leverage, as defined for financial covenants principally in Investcorp's outstanding bond and note issues, is calculated after deducting any transitory liabilities from the aggregate level of liabilities on the balance sheet, and has remained low in line with Investcorp's medium-term objectives to maintain comfortable covenant headroom.

Net leverage, as defined in the 4-year syndicated revolving credit facility, is calculated by deducting cash, underwriting balances and deferred fees (arising from the introduction of IFRS 15) from liabilities.

Credit Ratings

Agency	Rating grade	Comment
Fitch Ratings	BB / Stable outlook	Rating and outlook confirmed in November 2021
Moody's Investor Service	Ba2 / Negative outlook	Rating and outlook confirmed in November 2021

In November 2021, Fitch Ratings affirmed Investcorp's credit ratings at BB and 'Stable' outlook. "The rating affirmation reflects the locked-in nature of most of Investcorp's fee streams, its strong client franchise and high degree of brand name recognition in the Gulf, supported by its investment track record and long-term relationships in the region. The affirmation also reflects the vulnerability of Investcorp's business model to a market downturn and Fitch's view of the firm's ability to maintain credit metrics in line with expectations.

"Rating constraints include the firm's increased earnings volatility and placement risk relative to peers, given its business model of offering investments to clients on a fully underwritten deal-by-deal basis and its sizable co-investment portfolio, which is subject to fair value changes. Activity fees, which are earned from transactional activities and have comprised almost half of Investcorp's core fees over the past several years, are also susceptible to market volatility."²

In November 2021, Moody's affirmed Investcorp's credit ratings at Ba2, and 'Negative' outlook. "The rating reflects the company's solid market position in the Gulf Cooperation Council (GCC) region as a leading alternative investment provider, its global franchise, healthy operating margin and good asset retention.

"Furthermore, Investcorp's level of assets under management (AUM) and liquidity are expected to remain resilient, and the company has a significant amount of loss-absorbing equity capital which counters its elevated balance sheet risk. The rating and its associated negative outlook also reflects our expectation that Investcorp group's gross debt / adjusted EBITDA will remain elevated as the company seeks to diversify its funding sources."³

Equity

Equity (\$ millions)	Jun-22	Jun-21	Change H/(L)
Ordinary shareholders' equity	895	854	41
Preference share capital	375	375	-
Proposed appropriations	52	44	8
Other reserves	(8)	(3)	(5)
Non-controlling interests	1	2	(1)
Net book equity	1,315	1,272	43

Net equity as of June 30, 2022 remained stable at \$1.3 billion. The slight increase of 3% from June 30, 2021 was largely due to the strong results for the year partially offset by the payment of FY21 dividends and purchase of treasury shares during the year. Book value per ordinary share as of June 30, 2022 increased by 5% to \$11.31 (FY21: \$10.81).

² Fitch Ratings – Investcorp rating action commentary; November 4, 2021

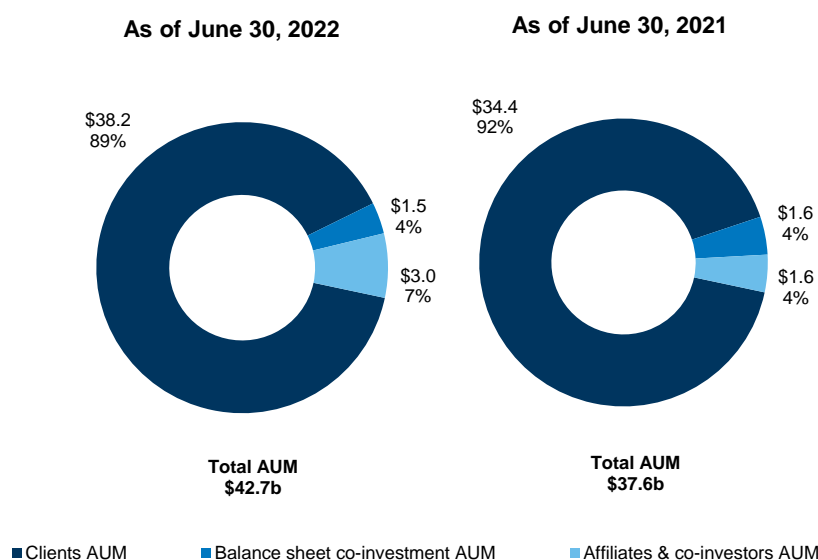
³ Moody's Investor Service – Credit opinion; November 18, 2021

ASSETS UNDER MANAGEMENT

Assets under management ('AUM')^{1 2 3 4}

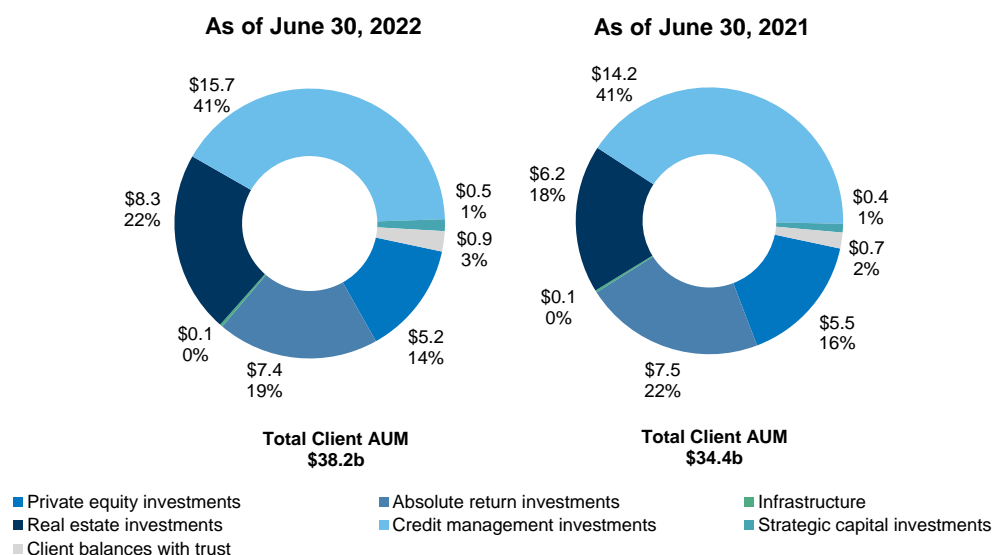
Please refer to the table in Note 2 of the Consolidated Financial Statements of Investcorp Holdings B.S.C.(c), which summarizes Investcorp's total assets under management in each of the reporting segments.

Total assets under management (\$ billions)



Total AUM increased to \$42.7 billion as of June 30, 2022 from \$37.6 billion as of June 30, 2021. The \$5.1 billion increase in AUM is largely driven by the organic growth of AUM across most asset classes.

Total client assets under management (\$ billions)



Total client AUM increased by 11% to \$38.2 billion as of June 30, 2022 from \$34.4 billion as of June 30, 2021.

¹ Includes \$4.7 billion (June 30, 2021: \$4.9 billion) of hedge fund partnerships (including exposure through multi-manager solutions) managed by third party managers and assets subject to a non-discretionary advisory mandate where the joint venture receives fees calculated on the basis of AUM. As of June 30, 2022 the total AUM held through the joint venture amounted to \$7.4 billion (June 30, 2021: \$7.6 billion)

² Real estate investments AUM is stated at gross asset value except for \$0.1 billion (June 30, 2021: \$0.1 billion) relating to funds which are based on commitments net of distributions. Also, includes \$0.6 billion (June 30, 2021: 0.3 billion) of assets under management relating to a property management business

³ Includes Group's commitment of \$4 million (June 30, 2021: \$4 million) to a private equity deal

⁴ As of June 30, 2022, Investcorp managed AUM amounting to \$0.4 billion (June 30, 2021: \$0.2 billion) through its joint ventures for PE investment business

The most dominant asset class in client AUM continues to be credit management with 41% of the total AUM. The increase in total client AUM in FY22 is largely attributable to the 34% increase in real estate client AUM to \$8.3 billion from \$6.2 billion. This increase is largely due to the acquisition and placement of various new portfolios and fundraising for the new Industrial Real Estate Venture. Credit management client AUM increased by 11% to \$15.7 billion from \$14.2 billion largely due to the issuance/pricing of several CLOs. The growth in credit management client AUM has been somewhat offset by the devaluation of the EUR versus the USD during the year. Absolute return client AUM decreased slightly by 1% to \$7.4 billion from \$7.5 billion mainly due to lower EUR FX conversion rate. Private equity client AUM decreased by 5% to \$5.2 billion primarily due to exits more than offsetting new acquisitions and fundraising. Strategic capital client AUM increased by 50% to \$540 million from \$360 million due to continued fundraising for the Investcorp Strategic Capital Partners Master Fund, L.P. Infrastructure investments client AUM increased by 39% to \$125 million from \$90 million due to new commitments for the ASIIP Infrastructure Fund.

Private equity investments (\$ millions)	Jun-22	Jun-21	% Change B/(W)
Client AUM			
Closed-end funds	2,901	2,884	1%
Deal-by-deal investments	2,261	2,581	(12%)
Total client AUM – at period end	5,162	5,465	(5%)
Average client AUM	5,314	5,187	2%

Real estate investments (\$ millions)	Jun-22	Jun-21	% Change B/(W)
Client AUM			
Closed-end funds	1,259	117	>100%
Deal-by-deal investments	7,050	6,068	16%
Total client AUM – at period end	8,309	6,185	34%
Average client AUM	7,247	5,752	26%

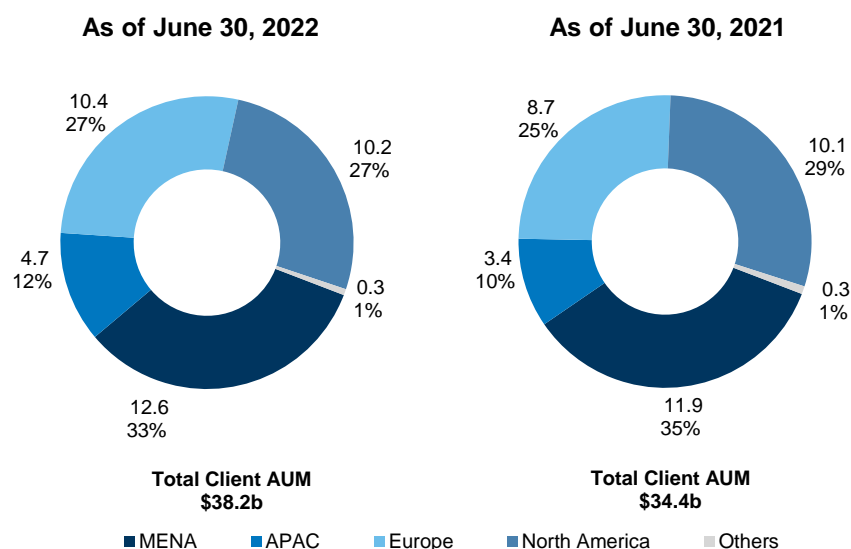
Credit management investments (\$ millions)	Jun-22	Jun-21	% Change B/(W)
Client AUM			
Closed-end funds	15,350	13,804	11%
Open-end funds	374	371	1%
Total client AUM – at period end	15,724	14,175	11%
Average total client AUM	14,950	13,491	11%

Absolute return investments (\$ millions)	Jun-22	Jun-21	% Change B/(W)
Client AUM			
Multi-manager solutions	3,003	3,158	(5%)
Hedge funds partnerships	3,750	3,703	1%
Special opportunities portfolios	437	593	(26%)
Alternative risk premia	187	49	>100%
Total client AUM – at period end	7,377	7,503	(1%)
Average total client AUM	7,440	6,763	10%

Strategic capital investments (\$ millions)	Jun-22	Jun-21	% Change B/(W)
Client AUM			
Closed-end funds	513	332	55%
Deal-by-deal investments	27	28	(4%)
Total client AUM – at period end	540	360	50%
Average total client AUM	450	238	90%

Infrastructure investments (\$ millions)	Jun-22	Jun-21	% Change B/(W)
Client AUM			
Closed-end funds	125	90	39%
Total client AUM – at period end	125	90	39%
Average total client AUM	108	45	>100%

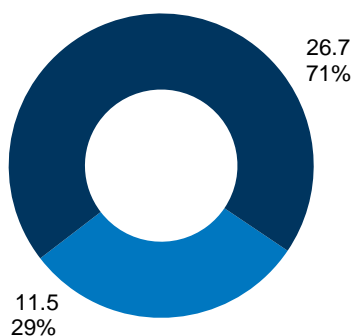
Regional split of clients' assets under management (\$ billions)



During FY22, total client AUM increased by 11% to \$38.2 billion. As of June 30, 2022, 67% of the Firm's client assets under management are from outside the MENA region.

Composition of clients' assets under management by client type

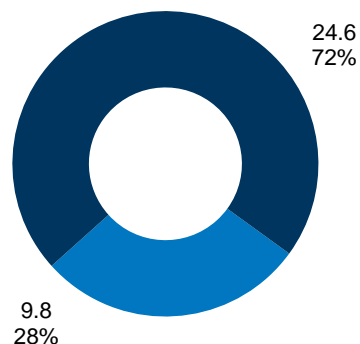
As of June 30, 2022



Total Client AUM
\$38.2b

■ Private Wealth

As of June 30, 2021



Total Client AUM
\$34.4b

■ Institution

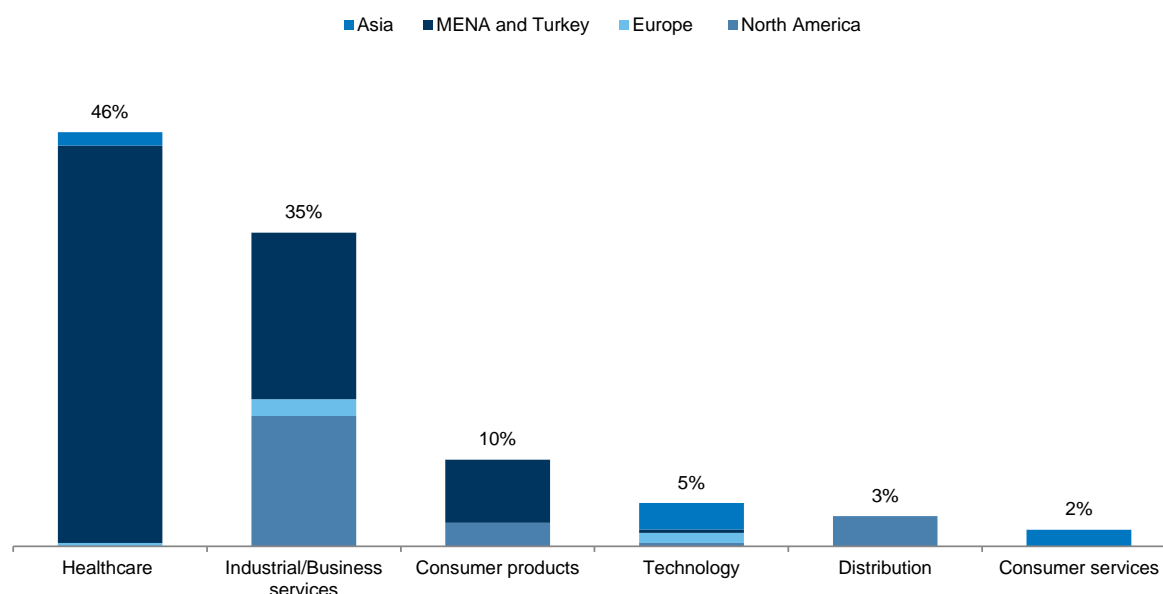
The composition of client AUM across institutional and private wealth clients have remained relatively in line with the previous year.

PORTFOLIO REVIEW

Private Equity

At June 30, 2022, the carrying value of Investcorp's balance sheet co-investment in PE, excluding strategic investments and underwriting, was \$272 million (invested in 60 companies and one special opportunity investment) compared with \$237 million as of June 30, 2021 (invested in 59 companies and one special opportunity investment). This represents 30% of total balance sheet co-investments as of June 30, 2022. PE underwriting as of June 30, 2022 was \$212 million (FY21: \$196 million).

The private equity portfolio is diversified by sector and geography across North America, Europe, Asia and MENA including Turkey.



Please refer to the table in Note 10 (A) of the Consolidated Financial Statements of Investcorp Holdings B.S.C.(c), which summarizes the carrying values of PE co-investments by region and investment sector as of June 30, 2022 and June 30, 2021.


The following sections provide an overview of these portfolio companies and investments.

PE North America

As of June 30, 2022, Investcorp's aggregate balance sheet co-investment amount in private equity investments in North America was \$56 million invested across twelve companies.




Acquired	Portfolio Company Name	Industry Sector	Headquarters
June 2022	CrossCountry Consulting  A leading independent provider of specialized financial and accounting advisory services in the United States www.crosscountry-consulting.com/	Business services – Knowledge & professional services	Virginia, US

Acquired		Portfolio Company Name	Industry Sector	Headquarters
March 2022		S&S Truck Parts A leading independent distributor of mission-critical replacement parts for heavy-duty logistics vehicles in North America www.sandstruck.com/	Distribution – Supply chain services	Illinois, US
December 2021		RESA Power A leading provider of mission-critical engineering, testing and maintenance services for electrical infrastructure in the United States www.resapower.com	Industrial services – Infrastructure services	Texas, US
April 2021		RoadSafe Traffic Systems The leading provider of traffic management and road infrastructure services in the United States www.roadsafetraffic.com	Industrial services – Infrastructure services	Illinois, US
December 2020		Resultant A leading provider of digital transformation and data analytics services in the United States www.resultant.com	Business services – Technology enabled services	Indiana, US
January 2020		Fortune International A leading provider of premium seafood, cheese and other gourmet products in the Midwestern United States www.fortunefishco.net	Distribution – Supply chain services	Illinois, US
February 2019		Revature A leading technology talent development company www.revature.com	Business services – Technology enabled services	Virginia, US
January 2019		Health Plus Management A leading managed services provider to musculoskeletal practices in the Northeastern US www.healthplusmgmt.com	Business services - Healthcare	New York, US
August 2018		United Talent Agency A leading global talent and entertainment company www.unitedtalent.com	Business services – Media	California, US

Acquired		Portfolio Company Name	Industry Sector	Headquarters
March 2018		ICR A leading strategic communications and advisory firm www.icrinc.com	Business services – Knowledge & professional services	Connecticut, US
March 2018		K.S.I. Trading Corp. A value-added, industry-leading distributor of quality replacement auto body parts www.ksiautoparts.com	Consumer products – Supply chain services	New Jersey, US
January 2017		AlixPartners A leading global business advisory firm www.alixpartners.com	Business services – Knowledge & professional services	New York, US

PE Europe

As of June 30, 2022, Investcorp's aggregate balance sheet co-investment amount in private equity investments in Europe was \$6 million invested across eleven companies.







Acquired		Portfolio Company Name	Industry Sector	Headquarters
June 2021		CloudCare A leading AI-powered platform providing online customer acquisition services to major service providers in Italy https://www.cloud-care.it	Business services – Technology enabled services	Rome, Italy
April 2021		Investis Digital A leading global provider of integrated digital corporate communication services https://www.investisdigital.com	Business services - Knowledge & professional services	London, UK
December 2020		Sanos Group A leading provider of specialized clinical trial management services to the global pharmaceutical and biotechnology industry https://www.nbcd.com www.sanosclinic.com	Business services – Healthcare	Herlev, Denmark




Acquired		Portfolio Company Name	Industry Sector	Headquarters
October 2019	VIVATICKET	Vivaticket A leading global provider of integrated ticketing software solutions to the leisure and entertainment, sport, culture and tradeshow industries. www.vivaticket.com	Business services	Bologna, Italy
February 2019	CAMBIO	Cambio A Nordic market-leading provider of Electronic Health Record (EHR) software and services as well as eHealth solutions to the primary and social care sector https://www.cambiogroup.com	Technology	Stockholm, Sweden
March 2018	ACURA IHR ZAHNARZT	Acura A fast-growing platform company to execute on a buy-and-build strategy in the German dental market www.acura-zahnaerzte.de	Healthcare	Frankfurt am Main, Germany
June 2017	ABAX	ABAX A leading provider of telematics and internet of things solutions to small and medium sized businesses in Europe www.abax.com/uk	Business services – Technology enabled services	Larvik, Norway
June 2016	CORNELIANI Corneliani	Corneliani An Italian luxury menswear brand www.corneliani.com	Consumer products – Specialty retail	Mantova, Italy
October 2015	POC	POC One of the top providers of premium bicycle and winter sports gear products www.pocsports.com	Consumer products	Stockholm, Sweden
August 2014	SPGPRINTS	SPGPrints A global manufacturer of digital and rotary printing systems for textile and graphics www.spgprints.com	Industrial products	Boxmeer, The Netherlands

Acquired		Portfolio Company Name	Industry Sector	Headquarters
November 2012		Georg Jensen A global luxury Danish design brand with over 115 years heritage in fine silverware, jewellery and high-end homeware www.georgjensen.com	Consumer products – Specialty retail	Copenhagen, Denmark

PE Technology





As of June 30, 2022, Investcorp's aggregate balance sheet co-investment amount in technology investments was \$4 million invested across seven companies. Two companies (eviivo and OpSec Security Group) are managed by Investcorp on behalf of clients with no balance sheet co-investment.





Acquired		Portfolio Company Name	Industry Sector	Headquarters
March 2022		HWG A leading independent provider of cybersecurity solutions in Italy http://www.hwg.it	Technology – Security	Verona, Italy
August 2021		Rtekk (formerly MIR Limited) A fast-growing provider of e-wallet, prepaid card and wearable solutions www.rtekk.com	Technology – FinTech	Douglas, Isle of Man
August 2019		Contentserv A leading provider of Product Information Management software www.contentserv.com	Technology – Big data	Ermatingen, Switzerland
December 2018		Ubisense A market leader in enterprise location intelligence solutions www.ubisense.net	Technology – Big data	Cambridge, UK
July 2017		Impero A leading online student safety, classroom and network management software www.imperosoftware.com	Technology – Security	Nottingham, UK
March 2017		Ageras A fast-growing online marketplace for professional services www.ageras.com	Technology – Internet / mobility	Copenhagen, Denmark

Acquired	Portfolio Company Name	Industry Sector	Headquarters
November 2016	 Calligo A fast-growing provider of cloud solutions www.calligo.io	Technology – Big data	St Helier, Jersey
March 2011	 eviivo A leading European software provider for small and medium-sized accommodation businesses www.eviivo.com	Technology – Internet / mobility	London, UK
March 2010	 OpSec Security Group A global leader in providing anti-counterfeiting technologies, as well as solutions and services for physical and online brand protection www.opsecsecurity.com	Technology - Security	Newcastle, UK

PE MENA



As of June 30, 2022, Investcorp's aggregate balance sheet co-investment amount in private equity investments in MENA was \$189 million invested across eight companies.

Acquired	Portfolio Company Name	Industry Sector	Headquarters
April 2018	 Reem Integrated Healthcare A state-of-the art International Rehabilitation Centre, Children's & Women's Hospital and Walk-In Family Medical Clinic www.reemhospital.com and www.vamed.com	Healthcare	Abu Dhabi, United Arab Emirates
November 2016	 Al Borg Medical Laboratories A leading private laboratory network in the GCC www.alborglaboratories.com	Healthcare	Jeddah, Saudi Arabia
December 2015	 Bindawood Holding A leading chain of supermarkets and hypermarkets www.bindawoodholding.com	Consumer products – Grocery retail	Jeddah, Saudi Arabia
July 2015	 NDT Corrosion Control Services Co. A leading industrial testing and inspection services provider in the GCC www.ndtcorrosion.com	Industrial services	Dammam, Saudi Arabia

Acquired		Portfolio Company Name	Industry Sector	Headquarters
December 2013		Namet One of the largest integrated producers of fresh cut and packaged processed red meat products in Turkey www.namet.com.tr	Consumer products	Istanbul, Turkey
October 2013		Al Yusr Industrial Contracting Company W.L.L. A leading provider of technical industrial support services to the petrochemical, oil & gas and other key industrial sectors in Saudi Arabia and Qatar www.aytb.com	Industrial Services	Jubail, Saudi Arabia
October 2012		Automak Automotive Company A leading player in the fleet leasing and rental business in Kuwait www.automak.com	Industrial services	Kuwait
September 2010		Tiryaki Agro A leading trader and supply chain manager of agro commodities in Turkey and globally www.tiryaki.com.tr	Consumer products – Trading and logistics	Istanbul, Turkey







PE Asia

As of June 30, 2022, Investcorp's aggregate balance sheet co-investment amount in private equity investments in Asia was \$17 million across twenty-two companies and one special opportunity investment.

Acquired / Invested		Portfolio Company Name	Industry Sector	Headquarters
February 2022		V-Ensure A leading developer of specialty pharmaceutical formulations with a focus on complex generics for regulated markets https://v-ensure.com/	Healthcare	Mumbai, India
November 2021		Wingreens Farms One of India's leading packaged food and beverage companies https://wingreensfarms.com/	Consumer food & agriculture	Gurugram, India

Acquired / Invested	Portfolio Company Name	Industry Sector	Headquarters
November 2021	Mo Xiaoxian  A leading instant food brand in China with diversified products including self-heated hotpots	Consumer	Shanghai, China
July 2021	HaoYue China Healthcare Co-Investment Partnership  A co-investment healthcare partnership launched by HaoYue Capital, China's leading specialized healthcare M&A boutique http://healthcarecapital.com.cn/	Healthcare	Shanghai, China
July 2021	Linkedcare  A leading SaaS and supply chain solutions provider for dental and beauty industry in China https://www.linkedcare.cn/	Healthcare	Shanghai, China
June 2021	Heritage Foods  A buy-and-build platform of Asian branded and heritage sauces and condiments www.heritagefoodsgroup.com	Consumer	Hong Kong, China
March 2021	Safari Industries  A leading and fast-growing organized luggage brand in India https://www.safaribags.com/	Consumer	Mumbai, India
December 2020	Viz Branz  A leading producer and distributor of branded instant cereal and coffee products in China and Southeast Asia www.vizbranz.com/	Consumer	Singapore
December 2020	City Super Group  A leading premium grocery and lifestyle retailer in Hong Kong and China https://www.citysuper.com.hk/	Consumer	Hong Kong, China

Acquired / Invested	Portfolio Company Name	Industry Sector	Headquarters
December 2020 	Unilog A leading Software as a Service (SaaS) based e-commerce solutions provider to small and medium businesses based in the United States. https://www.unilogcorp.com	Technology – E-commerce	Philadelphia, Pennsylvania / Bangalore, India
November 2020 	XpressBees One of the leading technology-led express logistics service providers in India https://www.xpressbees.com/	Technology – E-commerce	Pune, India
November 2020 	Kindstar Global A leading independent medical testing provider in China http://en.kindstarglobal.com/	Healthcare	Wuhan, China
October 2020 	WeDoctor A leading online healthcare services company in China https://www.guahao.com/	Healthcare	Hangzhou, China
September 2020 	FreshToHome One of the leading direct-to-consumer online meat brands in India https://www.freshtohome.com/	Technology – E-commerce	Bengaluru, India
July 2020 	Lu Daopei Medical A leading private specialist medical group in the field of hematology in China http://www.daopei.net/	Healthcare	Beijing, China
November 2019 	NephroPlus A leading dialysis care chain in India www.nephroplus.com	Healthcare	Hyderabad, India
October 2019 / October 2020 	Intergrow A leading packaged food ingredients company in Kerala http://www.intergrowbrands.com	Consumer food & agriculture	Kochi, India

Acquired / Invested		Portfolio Company Name	Industry Sector	Headquarters
October 2019 / August 2021		Bewakoof One of the leading direct-to-consumer online apparel companies in India http://www.bewakoof.com	Technology - E-commerce	Mumbai, India
February 2019 / March 2020		Citykart A fashion and apparel value retail chain http://citykartstores.com	Consumer & retail	Gurugram, India
January 2019 / July 2020		ZoloStays One of India's leading technology enabled managed living services providers www.zolostays.com	Consumer services – Technology enabled services	Bangalore, India
September 2018		China Pre-IPO Technology Portfolio A diversified portfolio of leading high-growth pre-IPO technology companies in China or globally with a significant China angle. The portfolio currently comprises eleven high-growth companies	Technology	Predominantly in China, together with one US-based company with significant China angle
October 2017		ASG Eye Hospital A leading full-service specialty eye care hospital chain http://www.asgeyehospital.com	Healthcare	Jodhpur, India
November 2016 / March 2017		InCred Finance A technology enabled retail financing company http://www.incred.com	Financial services	Mumbai, India

Other private equity activity

- June 2022: Investcorp's Private Equity Technology portfolio company, **Rtekk**, announced its investment in DIGISEQ. Established in 2014, DIGISEQ is the world's first tokenised wearable payments service, enabling wearable tech users to pair their bank card and make contactless payments or digital ID authentication with a wide range of passive wearable items.
- March 2022: Investcorp's portfolio company, **RoadSafe Traffic Systems**, the nation's largest provider of traffic control and pavement marking services, announced the acquisition of Liddell Bros, Inc. ('LB') and Liddell Leasing, Corp. ('LL'). Based in Halifax, Massachusetts, LB and LL have been leading suppliers of traffic control services and equipment, including the installation of overhead signs and structures, in the New England market for the last 50 years.

- February 2022: Investcorp's portfolio company, **Xpressbees**, a leading e-commerce logistics platform in India, became a unicorn after recently raising \$300 million in a Series F funding round from private equity funds Blackstone Growth, TPG Growth and ChrysCapital at a valuation in excess of \$1 billion. Investcorp, leading a consortium of other institutional investors, had first invested in Xpressbees during its Series E funding round in November 2020.
- February 2022: Investcorp's portfolio company, **Ageras**, raised €30 million from a group of European and American investors. The investment will further support Ageras on executing its vision: Enabling success for small business owners.
- December 2021: Investcorp's portfolio company, **Impero**, a leading provider of online student safety, classroom management and secure remote access software, announced that it has acquired ContentKeeper, a leader in web filtering, reporting and mobile security for schools.
- November 2021: Investcorp completed the acquisition of the going concern of PE Europe portfolio company **Corneliani**, the global luxury menswear brand. As part of the acquisition, Investcorp invested €7 million alongside the Italian Ministry for Economic Development, who invested €10 million.
- September 2021: Investcorp announced that Caisse de dépôt et placement du Québec (CDPQ), a global investment group, had agreed to acquire a significant stake in its portfolio company, **ICR**, a global leader in strategic communications and advisory services. Upon completion of the transaction, CDPQ will join Investcorp and ICR's management to further continue the company's growth and expansion journey.

Real Estate Investment

As of June 30, 2022, Investcorp's RE balance sheet co-investments excluding underwriting totaled \$80 million compared with \$47 million as of June 30, 2021. The amount represents 9% of total balance sheet co-investments as of June 30, 2022.

Please refer to the table in Note 10 (C) of the Consolidated Financial Statements of Investcorp Holdings B.S.C.(c), which summarizes Investcorp's carrying values by portfolio type as of June 30, 2022 and June 30, 2021. For details on RE underwriting, please refer to the table in Note 9 of the Consolidated Financial Statements of Investcorp Holdings B.S.C.(c)

Carrying values for Investcorp's real estate co-investment by vintage year are shown below. Carrying values reflect stable values for existing assets as well as the impact of exits and new acquisitions and placements during the year.

Investcorp currently has 28 active real estate investment portfolios. As of June 30, 2022, 26 of these portfolios were on or ahead of plan and only two portfolios were behind plan. The two portfolios that were behind plan consist of office buildings that have been negatively impacted by the COVID-19 pandemic and are located in downtown Washington, D.C. and downtown New York City.

Real Estate Portfolio Listing

Investcorp co-investment by year (\$m)	Properties # vs. current ⁽¹⁾	Sector	Geographic location ⁽²⁾	Carrying value end of	
				Jun-22	Jun-21
Canal Center	4 / 0	-	-		
Vintage FY15				0	0
Boca Raton & Minneapolis	5 / 0	-	-		
733 Tenth Street	1 / 1	Office	DC		
Vintage FY16				1	2
UK Industrial Logistics	21 / 0	-	GBR		
Midtown Manhattan Office	2 / 2	Office	NY		
2018 Residential	5 / 0	Residential	FL / GA / IL / TX		
Berkeley Lake ⁽³⁾	5 / 0	Residential	FL / GA / IL / TX		
UK Industrial Logistics II	11 / 0	-	GBR		
2018 Warehouse	42 / 0	-	AZ / IL / MN / TX		
Vintage FY18				2	6
German Office 2018	4 / 3	Office	DEU		
US Industrial & Logistics	56 / 0	-	AZ / DE / IL / MN / TX		
GKI Industrial Portfolio ⁽³⁾	0 / 0	Industrial	GA		
2018 Multifamily	6 / 4	Residential	FL / TX / UT		
2019 Multifamily	8 / 5	Residential	AZ / FL / GA / NC / TX		
Frankfurt and Hamburg	2 / 2	Office / Industrial	DEU		
US Distribution Center	8 / 8	Industrial	AZ / FL / IL / MO / NC / OH / TX		
Vintage FY19				2	2
2019 Multifamily II	11 / 11	Residential	FL / GA / MO / NC / PA		
UK Industrial & Logistics III	10 / 10	Industrial	GBR		
2019 US Industrial and Logistics	76 / 75	Industrial	IL / NC / TX		
535-545 Boylston Street	2 / 0	Office	MA		
2020 Residential Properties	5 / 3	Residential	CO / FL / TX		
European Office Portfolio	3 / 3	Office	BEL / DEU / NLD		
2020 Southeast Industrial & Logistics	50 / 50	Industrial	GA / TN		
Atlantic Point ⁽³⁾	2 / 0	Residential	GA		
Vintage FY20				5	17
2020 Warehouse and Logistics Portfolio	32 / 31	Industrial	IL / OH		
2021 Multifamily Portfolio	10 / 10	Residential	AZ / FL / GA / MD / TX		
US National Industrial Portfolio	39 / 39	Industrial	AZ / CA / FL / MN / NJ / NV		
Sunbelt Multifamily	10 / 10	Residential	AZ / FL / GA / MD / TX		
UK Industrial & Logistics IV	13 / 13	Industrial	UK		
Vintage FY21				11	11
Sunbelt Multifamily Add-on	2 / 2	Residential	FL / TX		
UK Industrial & Office Portfolio	11 / 11	Office & Industrial	UK / UK		
Western US Industrial Portfolio	89 / 89	Industrial	AZ / CA / TX / WA		
2021 Multifamily II	6 / 6	Residential	AZ / CO / GA / TX		
US National Industrial Portfolio II	64 / 64	Industrial	GA / IL / MO / NY / PA / TX		
Italian Office Portfolio	2 / 2	Office	ITA		
Florida Residential Portfolio	3 / 3	Residential	FL		
India Education Infrastructure Portfolio	4 / 4	India Education Infrastructure	India		
GIC/KIC Portfolio	183 / 183	Industrial	AZ / GA / IL / MN / OH / PA / TN / TX		
Vintage FY22				58	8
Sub-total	807 / 644			79	47
New portfolios under construction	4 / 4			1	0
Total including new portfolios under construction	811 / 648			80	47

⁽¹⁾ Portfolios which have been realized in this current reporting period, reflecting a current property count of 0 (zero), are retained in this chart as they contribute to the carrying value of the previous period.

⁽²⁾ Two letter code denotes North America US states and three letter code represents country ISO code

⁽³⁾ Assets were recapitalized by Investcorp. Investcorp and its subsidiaries continue to have a management role in one of the properties. Investcorp maintains a direct equity investment and is considered a current portfolio.

Absolute Return Investments ('ARI')¹

As of June 30, 2022, the balance sheet carrying value of Investcorp's co-investment in ARI which is managed by the Investcorp-Tages joint venture was \$24 million compared with \$40 million as of June 30, 2021. The amount represents 3% of total balance sheet co-investments as of June 30, 2022. Please refer to the table in Note 10 (D) of the Consolidated Financial Statements of Investcorp Holdings B.S.C. (c), which summarizes the carrying values of Investcorp's co-investment in ARI as of June 30, 2022 and June 30, 2021.

Exposure Profile

The balance sheet co-investments in ARI consist of investments in managers who are on Investcorp-Tages joint venture's multi-manager solutions platform and co-investments in Special Opportunity Portfolios. As of June 30, 2022, Investcorp's balance sheet co-investment amount in multi-manager solutions was \$4 million, and its investment amount in Special Opportunities Portfolios was \$20 million.

Liquidity

As of June 30, 2022, Investcorp's ARI co-investment of 100% was contractually available for monetization beyond twelve months.

Strategy Outlook

Below is Investcorp's outlook on hedge fund strategies as of June 2022:

Strategy	Negative	Neutral	Positive
Hedged Equities	■ ■ ■	■	■ ■ ■
US	■ ■ ■	■	■ ■ ■
Euro area ex UK	■ ■ ■	■	■ ■ ■
Japan	■ ■ ■	■	■ ■ ■
Emerging Markets	■ ■ ■	■	■ ■ ■
Event Driven	■ ■ ■	■	■ ■ ■
Special Situations	■ ■ ■	■	■ ■ ■
Merger Arbitrage	■ ■ ■	■	■ ■ ■
Equity Market Neutral	■ ■ ■	■	■ ■ ■
Macro Discretionary	■ ■ ■	■	■ ■ ■
Macro Systematic	■ ■ ■	■	■ ■ ■
FI Relative Value	■ ■ ■	■	■ ■ ■
Corporate Credit	■ ■ ■	■	■ ■ ■
Corporate Distressed	■ ■ ■	■	■ ■ ■
Structured Credit	■ ■ ■	■	■ ■ ■
Convertible Arbitrage	■ ■ ■	■	■ ■ ■

¹ In May 2020, Investcorp's ARI business entered into a 50/50 joint venture with Tages Capital LLP, the absolute return and multi-manager solutions subsidiary of Tages Group, to form Investcorp-Tages Limited

Strategic Capital Investments

Investcorp seeks to acquire minority interests in alternative asset managers, particularly general partners (GPs) who manage longer duration, private capital strategies (e.g., private equity, private credit, real estate, etc.) with a focus on those with strong track records, exceptional teams, and attractive growth prospects. Targets are typically well-established, mid-sized alternative asset managers who have the resources and infrastructure to attract top talent, retain large, sophisticated investors, and build a lasting business.

At June 30, 2022, the carrying value of Investcorp's balance sheet co-investment in SC was \$19 million compared with \$6 million as of June 31, 2021. This represents 2% of total balance sheet co-investments as of June 30, 2022. For details on SC co-investments, please refer to Note 10 (E) of the Consolidated Financial Statements of Investcorp Holdings B.S.C. (c).

During FY22, from July 1, 2021, through June 30, 2022, Investcorp's Strategic Capital Group ("ISCG") completed seven new strategic minority investments.

The below table lists the investments in the Investcorp Capital Partners Master Fund, L.P.

Acquired	Portfolio Company Name	Industry Sector	Headquarters
January 2022	Project RI Pan-European investment firm focused on special situations and distressed control investments across the capital structure	European Special Situations	London, UK
January 2022	Project Propel U.S. middle-market buyout firm focused on investing across technology, business services, and industrial services sectors	Buyout	New York, NY
October 2021	Project Apollo North American real estate private equity manager investing across value-added, healthcare, and debt-focused real estate strategies	Real Estate	Washington, DC
October 2021	Project Elm Middle-market buyout firm focused on North American companies in the Media & Business Services, Consumer, Water, and Specialty Industrial sectors	Buyout	New York, NY
September 2021	Project Mountain Special situations private credit firm focused on identifying off-market transactions with opportunity arising from situational distress	Private Credit and Special Situations	New York, NY
September 2021	Project Arch U.S.-focused distressed credit and special situations firm investing in secured credit of middle-market companies	Distressed and Special Situations	Greenwich, CT

Acquired	Portfolio Company Name	Industry Sector	Headquarters
July 2021	Project Carrier Global buyout and infrastructure firm focused on high-growth businesses and infrastructure investments	Buyout and Infrastructure	New York, NY
December 2020	Project Highway Buyout and private credit investment firm focused on the lower middle market with a deep value orientation and focus on complex situations	Private Equity and Private Credit	New York, NY
July 2019	Project Aspen A leading diversified private capital manager focused on the lower middle market running private equity and private credit strategies	Diversified Private Capital	Boston, MA

Credit Management

As of June 30, 2022, Investcorp's CM balance sheet co-investments totaled \$206 million compared with \$255 million as of June 30, 2021. The amount represents 23% of total balance sheet co-investments as of June 30, 2022.

Please refer to the table in Note 10 (B) of the Consolidated Financial Statements of Investcorp Holdings B.S.C.(c), which summarizes Investcorp's carrying values by geography as of June 30, 2022 and June 30, 2021.

The table below details the Investcorp co-investment exposure and total AUM by geography and by vintage year. Performance information consists of the cash returned to equity holders to date at a summarized level by vintage year.

Assets under management – Investcorp credit management (\$ millions)

Fund Name ⁱ	Cash returned to equity to date % ⁱⁱ	Total AUM June-22	Investcorp AUM June-22
FY 2014	118%	714	16
FY 2015	133%	1,030	22
FY 2016	100%	1,212	39
FY 2017	72%	1,033	30
FY 2018	63%	928	39
FY 2019	54%	927	39
FY 2020	32%	1,515	0
FY 2021	24%	1,024	-
FY 2022 ⁱⁱⁱ	N/A	1,453	14
European CLO Funds		9,837	199
FY 2013	119%	282	-
FY 2015	63%	735	-
FY 2017	47%	399	-
FY 2018	68%	395	-
FY 2019	41%	445	-
FY 2020	32%	889	-
FY 2021	11%	400	-
FY 2022 ⁱⁱⁱ	N/A	801	10
US CLO Funds		4,346	10
Other Funds ^{iv}		1,921	56
Other		1,921	56
Total		16,105	265

ⁱ Fiscal year groupings are based on the closing date of a CLO

ⁱⁱ % of equity cash distribution over par value of equity at launch

ⁱⁱⁱ The first payment is not due as of June 30, 2022

^{iv} Other funds include Global Income Fund, European Middle Market Fund, Mount Row Levered Funds, Investcorp Credit Management BDC, Investcorp Credit Opportunity Portfolios, Insurance SMA and Risk Retention Funds

Collateralized Loan Obligations ('CLOs')

CLO equity continues to provide investors with attractive current income cash distributions. The average annualized cash distribution on Investcorp's ongoing 2.0 CLOs as of June 2022 was 13% in the US and 14% in Europe. Investcorp continued to be an active issuer in the CLO market during the fiscal year, with 5 new CLOs issued/priced and 4 resets globally through volatile market conditions.

CLO Tranche Insurance SMA

The CLO Tranche Insurance SMA focuses on investing in mezzanine CLO tranches with rating stability and current income. The fund has invested \$17.5 million par as of June 30, 2022. The portfolio is split 60% BBB and 40% A, with a weighted average spread of SOFR + 3.44%.

Global Floating Rate Income Fund ('GIF' or the 'Fund')

The Global Income Fund² generated a gross return of -2.98% (-3.80% net) in the 12 months ending June 30, 2022, performing broadly in line with the -3.01% benchmark return on a comparable gross basis.

Since inception in August 2015, the Fund's annualized gross return is 4.13% (3.25% net), with the Fund's NAV standing at \$366 million as of June 2022.

Mount Row (Levered) Credit Fund

Following the final close of Mount Row Credit Fund II at \$273 million in April 2022, a total of \$660 million of AUM is invested across the Mount Row Credit strategy. Both funds are fully invested in line with strategy. Fundraising for Mount Row Credit Fund III is expected to commence in Q4 2022.

Investcorp Credit Management BDC

On August 30, 2019, Investcorp Credit Management US LLC (a subsidiary of Investcorp Holdings B.S.C.(c)) acquired an approximate 76% ownership interest in CM Investment Partners, LLC ("CMIP"). CMIP is an investment adviser registered with the U.S. Securities and Exchange Commission that acts as investment adviser to Investcorp Credit Management BDC, Inc. ("ICMB"), a closed-end, externally managed, non-diversified management investment company that has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended. ICMB is a publicly traded company that is listed on the Nasdaq Global Select Market under the symbol "ICMB".

² USD Share Class